

# HOUSE BILL REPORT

## HB 2045

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**As Reported by House Committee On:**  
State Government

**Title:** An act relating to identification numbers issued by state agencies.

**Brief Description:** Establishing a work group to evaluate creating a centralized identification number system.

**Sponsors:** Representatives Haigh, Armstrong and Miloscia.

**Brief History:**

**Committee Activity:**

State Government: 3/4/03 [DP].

**Brief Summary of Bill**

- Requires the Office of Financial Management to convene a work group of agency representatives to study the feasibility of creating a centralized identification system for persons and businesses who conduct business with the state.

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### HOUSE COMMITTEE ON STATE GOVERNMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

**Staff:** Katie Blinn (786-7114).

**Background:**

State agencies use a variety of methods to assign identification numbers for persons and businesses that provide services to the state, receive services or benefits from the state, file claims with or against the state, enter into contracts with the state, make payments to the state, or otherwise conduct business with the state. A variety of state and federal laws prohibit agencies from using social security numbers as identification numbers or account numbers. A variety of state and federal privacy laws prohibit agencies from releasing personally identifiable information to anyone who is not authorized to have

access to such information.

The 2002 Statewide Accountability Report issued by the State Auditor's Office (SAO) recommends that the Legislature consider requiring any person receiving state resources to be given, on first contact, an individual identifying number. From then on, individuals would be required to present this number whenever applying for any other state assistance or for employment with the state. The goal of the SAO is to allow a state agency to perform data matches for any of its clients with any other state agency to determine if continuing or additional assistance is proper or necessary.

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**Summary of Bill:**

The Office of Financial Management (OFM) must convene an identification number workgroup to evaluate the feasibility and challenges to creating a centralized process for the state to issue identification numbers to persons and businesses that conduct business with the state. The identification number workgroup must include at least one representative from the following state agencies:

- the Office of Financial Management;
- the Department of Social and Health Services;
- the Department of Revenue;
- the Department of Labor and Industries;
- the Health Care Authority;
- the Employment Security Department;
- the Higher Education Coordinating Board;
- the Department of Corrections;
- the Department of Personnel;
- the Department of Retirement Systems;
- the Department of Financial Institutions;
- the Department of Licensing;
- the Department of Health;
- the Department of Veterans' Affairs;
- the Department of Information Services;
- the Office of the Superintendent of Public Instruction;
- the Secretary of State;
- the Department of Community, Trade, and Economic Development;
- the Department of Fish and Wildlife;
- the Office of the State Auditor; and
- the Workforce Training and Education Coordinating Board.

The identification number workgroup must examine the following topics:

- The system that each agency uses to issue identification numbers;

- The information associated with each number, including personally identifying information;
- The requirements and procedures provided in state and federal law to protect privacy and to prevent the unauthorized release of information;
- The processes each agency has in place to prevent the unauthorized release of information;
- The processes each agency has in place to lawfully exchange information with other state agencies, local government agencies, the federal government, and other authorized parties;
- The challenges of creating a centralized system;
- The challenges of creating a consistent, centralized process for state agencies to issue identification numbers to persons and businesses that conduct business with the state; and
- The processes necessary to ensure that the information associated with each identification number is only accessible to those persons authorized to have access.

The identification number workgroup must issue a progress report to the Legislature no later than January 31, 2004, that includes findings and recommendations on the feasibility of creating a centralized identification number system, whether to create such a system and, if so, how.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** This is an important issue. School districts are developing a method to track when and how students travel from one district to another. Too many agencies are using different types of identification numbers. Meanwhile, some agencies are using social security numbers when they should not be due to federal and state privacy laws.

**Testimony Against:** None.

**Testified:** Representative Haigh, prime sponsor.